22 September 1980

Office of Finance Notice No__43-80___

Subject: Claims for Child Care Expenses Related to
           Dependent Language and Orientation Training.

STATINTL   References: A.   ████████ 16 July 1980
                         B.   DDA 80-0724/2, 28 March 1980
                         C.   DDA 80-0724/3, 30 May 1980

1. Purpose

     This notice provides administrative guidance for the processing of
"child care" claims and entitlements announced in reference A.

2. Eligibility

     Selection for Agency sponsored language and overseas orientation training,
incident to projected employee assignments, and eligibility for reimbursement
of related expenses incurred for care of minor dependent children will be
covered by guidelines contained in references B and C until appropriate Agency
regulations are revised.

3. Entitlement

     Reimbursement of qualifying child care expenses is allowable in the form
of a grant which is limited, per references B and C, to –

          a. the lesser of $300 per month per family or actual expenses;
          b. a maximum period of six months incident to any one assignment;
          c. costs for child care reasonably related to training of
              spouse plus any actual costs for necessary local
              transportation between home and place of "care"; and
          d. payment to persons not living in the home of the claimant

The grant for dependent care expense is currently being reviewed by the Office of General Counsel (OGC) in coordination with the Internal Revenue Service to determine if a ruling could be obtained that would allow the payment to be non-reportable because the expenses against the payment would eliminate any tax affect. In the interim the Agency will administer this aspect of the program in the same manner as the Department of State, i.e., payments will be considered taxable income and withholdings will be made. If it is determined they are non-taxable, money withheld will be returned to employees.

5. Procedure

Claims for child care expenses will be obligated by components to a new sub-object class (SOC) 1208 - (Child Care - Allowance) and will be submitted by component to Compensation Division in the attached format. Components may obligate child care expenses to SOC 1205 (Allowances - General) until the new SOC 1208 is established. The component approval and payment certifications must appear on the memorandum. Supporting documentation such as receipts will be retained by the component. Normally, payment to any one claimant will be made at end of training based on a single request for reimbursement unless components find monthly settlements are justified. Payments by Compensation Division will be included in the regular pay period payrolling cycle. Initially these payments will be recorded in general ledger account 1416, (Compensation and Allowance Payments due from Agency Personnel - Bi-weekly Payrolls) until the new SOC 1208 is effective at which time they will be processed as expenditures by Compensation Division. Since expenditure by Compensation Division results in a concurrent increase in obligation level, component B&F officers must review and adjust their obligations accordingly. Appropriate financial handbooks and manuals will be adjusted to reflect this process when it becomes fully operational.

STATINTL

Edward L. Sherman

Attachment

Attachment

To: Office of Finance
     Compensation Division

From:_____

Subject: Request for Grant to Cover Child Care Expense for_____
                                                            Employee Name

1. Grant Requested: $_____

2. Period Covered: _____

3. Project Number: _____

4. This is to certify that the spouse of subject employee was in attendance
at an Agency language or orientation program in connection with an approved
upcoming assignment and incurred expenses for child care of minor dependents
This training met the qualifications stipulated in DDA 80-0724/2 3/28/80 and
DDA 80-0724/3 5/30/80.

                                    _____
                                    Component Approving Officer

Certification:
I certify that receipts or other
appropriate documents supporting
this claim have been reviewed.
This claim is proper for payment
and funds are available to meet
the expenditure.

_____
Component Certifying Officer